APPENDIX VII.

[Vide the hon. the Development Minister's Motion on page 529 supra.]

DEVELOPMENT DEPARTMENT.

EXPLANATORY MEMORANDUM.

It is proposed that the Cotton Transport Act of 1923 should be brought into force in this Presidency.

2. Under section 3 of the Act the Local Government for the purpose of maintaining the quality or reputation of cotton may, by notification in the official gazette, prohibit the import of cotton into any particular area and under section 7 may issue rules for carrying out the purposes of the Act. Section 8 provides that no notification or rule shall be issued unless it has been laid in draft before the Legislative Council and approved by a resolution of the Council.

3. A Press Communiqué was issued in August 1924 explaining the necessity for the application of the Act to this Presidency and containing a draft notification under section 3 and draft rules under section 7.

4. The three protected areas into which the import of cotton is proposed to be restricted are—

(i) the Northerns and Westerns area consisting of the districts of Anantapur, Bellary, Cuddapah and Kurnool;

(ii) the Tiruppur-Cambodia area consisting of the district of Coimbatore and the Karur taluk of the Trichinopoly district;

(iii) the Tinnevelly area consisting of the district of Tinnevelly and that portion of the districts of Ramnad and Madura lying to the east and south of the Vaigai river.

5. No objections have been received to the application of the Act to the Northerns and Westerns area or to the Tinnevelly area. The objections received from the Tiruppur-Cambodia area are that the Act will not be effective in preventing the adulteration of cotton and enabling the cultivator to obtain a better price for his produce and that the proposed restrictions will cause inconvenience to the ginning and pressing of cotton and lessen the importance of Tiruppur as a trading centre.

6. The Cotton Transport Act was brought into force in the Presidency of Bombay in the year 1923 and has proved successful beyond expectation both in preventing the adulteration of cotton and

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in enabling the cultivator of good cotton to realize the intrinsic value of his produce. The inconveniences arising from the restriction of imports into the protected areas have also proved to be less serious than was anticipated and the cotton trade has readily adapted itself to the new conditions.

7. There is no reason to suppose that the Act will be less successful in this Presidency. The draft rules provide for the transport of cotton lint from the districts of Salem, North Arcot, South Arcot, Chittoor and Chingleput into Tiruppur without restriction. They also provide for the issue of licences for the import of ginned cotton and unginned cotton, cotton seed and cotton waste into the protected area when such import is found to be necessary. The rules will be worked in such a way as to cause as little inconvenience as possible to the cotton trade.

8. The Cotton Ginning and Pressing Factories Act is likely to come into force in August. It is therefore all the more important that the Cotton Transport Act should be made applicable to this Presidency at an early date as the two Acts are complementary and have the same object in view, the prevention of the improper adulteration of cotton.

G. T. H. BRACKEN.

TRUTH ALONE TRIUMPHS

DRAFT NOTIFICATION AND RULES.

(*a*)

Draft Notification under section 3 *of the Cotton Transport Act*, 1923 (*III of* 1923).

Whereas it is necessary for the purpose of maintaining the quality and reputation of the cotton grown in the areas in the Madras Presidency mentioned in Schedule I hereto appended.

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 3 of the Cotton Transport Act, 1923 (III of 1923), the Government of Madras are hereby pleased to prohibit the import of cotton into the said areas save under and in accordance with the conditions of a licence prescribed in this behalf subject however to the exception specified in clause (3) below.

(2) The Government of Madras are further pleased to prohibit, under sub-section (2) of section 3 of the said Act, the delivery to, and the taking of delivery by, any person, at any railway station situated in any of the

protected areas and specified in Schedule II hereto appended, of any cotton when such cotton has been consigned from a railway station not situated in the said area unless such person holds the prescribed licence for the import of cotton into the said area, subject however to the exception specified in clause (3) below.

(3) The transport of cotton lint from the districts of Salem, North Arcot, South Arcot, Chittoor and Chingleput into Tiruppur is exempted from the operation of clauses (1) and (2) and permitted without restriction.

SCHEDULE I—PROTECTED AREAS.

I. The Northerns and Westerns area—Consisting of the districts of Anantapur, Bellary, Cuddapah and Kurnool.

II. The Tiruppur-Cambodia area—Consisting of the district of Coimbatore and the Karur taluk of Trichinopoly district.

III. The Tinnevelly area—Consisting of the district of Tinnevelly and that portion of the districts of Ramnad and Madura lying to the east and south of the Vaigai river.

SCHEDULE II—RAILWAY STATIONS.

I. The Northerns and Westerns area.—All stations from Kottur to Hospet both inclusive, from Rayadrug to Bellary both inclusive, from Hospet to Guntakal both inclusive, from Guntakal to Hindupur both inclusive, from Guntakal to Tungabhadra river both inclusive, from Dharmavaram to Tanakallu both inclusive, from Guntakal to Cumbum both inclusive on the Guntakal-Bezwada line, from Dhone to Kurnool both inclusive and from Guntakal to Settikunta both inclusive.

II. The Tiruppur-Cambodia area.—All stations from Podanur to Kallar both inclusive, Madukarai and all stations from Podanur to Pollachi both inclusive, from Podanur to Erode both inclusive and from Erode to Sanappiratti both inclusive.

III. The Tinnevelly area.—All stations from Maniyachi to Madura both inclusive, from Maniyachi to Tenkasi both inclusive, from Maniyachi to Tuticorin both inclusive, from Tinnevelly to Tiruchendur both inclusive and from Madura to Mandapam both inclusive.

(*b*)

Draft rules under section 7 of the Cotton Transport Act, 1923 (*III of* 1923).

In exercise of the powers conferred by section 7 of the Cotton Transport Act, 1923 (III of 1923), the Government of Madras are pleased to make the following rules to carry out the purposes of the said Act, namely :—

(1) *Licensing authority ; form of application for a licence.*—Licences for the import of cotton into the protected areas shall be granted by the Director of Agriculture, Madras Presidency, and application shall be made to that officer in Form A annexed to these rules.

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(2) No cotton of which the import has been prohibited by or under section 3 of the Cotton Transport Act,1923, shall be imported into a prohibited area by road, river or sea save under and in accordance with the conditions of a licence issued as provided by these rules.

(3) *Licences for import of cotton for manufacture and export.*—(i) Annual licences for import by rail shall be granted to manufacturers and exporters carrying on business within the protected area for the importation of cotton or of any specified kind of cotton from outside such area for manufacture and export respectively. Such licences shall be in Form B hereto annexed and shall be subject to the conditions stated therein.

(ii) A certified copy of such licences in Form C hereto annexed shall be tendered with each consignment at the despatching station and shall accompany the railway invoice to the station of delivery and shall then be forwarded by the railway authority concerned to the railway audit office for despatch to the Secretary, Indian Central Cotton Committee.

(iii) The licence shall be returned to the licensing authority at the expiration of the period for which it is granted together with all unused certified copies of the same.

(4) *Licence for particular consignment by rail.*—(i) A single licence to cover only one consignment may be granted to such persons as can satisfy the licensing authority that it is necessary to import cotton or any specified kind of cotton (that is, cotton seed, kapas, ginned cotton or cotton waste) into the protected area. Such licences shall be in Form D hereto annexed and shall be subject to the conditions stated therein.

(ii) Such licence shall be surrendered at the station of delivery to the stationmaster or other railway servant responsible for the receipt and delivery of goods and parcels at the time of taking delivery of the cotton covered by the licence who shall forward it to the licensing authority.

(iii) A certified copy of such licence in Form E hereto annexed shall be tendered with each consignment at the despatching station and shall accompany the railway invoice to the station of delivery and shall then be forwarded by the railway authority concerned to the railway audit office for despatch to the Secretary, Indian Central Cotton Committee.

(5) *Licence for particular consignment by road, river or sea.*—(i) A single licence to cover only one consignment may be granted to such persons as can satisfy the licensing authority that it is necessary to import cotton or any specified kind of cotton (that is, cotton seed, kapas, ginned cotton or cotton waste) by road, river or sea into the protected area. Such licences shall be in Form F annexed and shall be subject to the conditions stated therein.

(ii) Such licence shall be delivered at the place specified by the licensing authority to the officer mentioned in the licence, who shall forward it to the licensing authority.

(6) *Separate licences to be issued for different kinds of cotton.*—Separate licences shall be issued for different kinds of cotton, that is to say, for ginned cotton, cotton seed, unginned cotton (kapas) and cotton waste.

(7) *Penalty.*—Any contravention of these rules or of the conditions of any licence granted hereunder, not otherwise punishable under the said Act, shall be punishable on conviction by a Magistrate with fine which may extend to five hundred rupees.

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Form A.

Application for Licence.

(*See* Rule 1.)

To

The Director of Agriculture, Madras Presidency.

Sir,

$\frac{\text{I}}{\text{We}}$ the undersigned hereby beg to apply for a licence under the Cotton Transport Act, 1923 (Act III of 1923), available for the period of to

for the importation by $\frac{\frac{\frac{\textit{rail}}{\textit{road}}}{\textit{river}}}{\textit{sea}}$ of

$\frac{\text{bales}}{\text{maunds}}$ of [State whether ginned cotton, unginned cotton (kapas) cotton seed or cotton waste.] into the protected area known as notified in Government Notification, Development, Department. No. , dated at station for the purpose of

$\frac{\text{I}}{\text{We}}$ also beg to apply for a certified copy of the licence (as required by the said Act).

2. $\frac{\text{I}}{\text{We}}$ declare that such $\frac{\frac{\frac{\text{cotton}}{\text{kapas}}}{\text{cotton seed}}}{\text{waste}}$ is required for the purpose of only and will not be otherwise used save under the instructions of the licensing authority.

Reasons why importation is necessary. (*a*)

3. $\frac{\text{I}}{\text{We}}$ undertake—

(1) in the event of the $\frac{\frac{\frac{\text{cotton}}{\text{kapas}}}{\text{cotton seed}}}{\text{waste}}$ imported under the said licence proving unsuitable for the purpose for which it is imported, to report the matter to the licensing authority and to await his approval to its disposal otherwise before allowing such $\frac{\frac{\frac{\text{cotton}}{\text{kapas}}}{\text{cotton seed}}}{\text{waste}}$ to leave our premises ;

(2) that under no circumstances will $\frac{\text{I}}{\text{We}}$ allow $\frac{\frac{\frac{\text{cotton}}{\text{kapas}}}{\text{cotton seed}}}{\text{waste}}$ imported under the said licence to be used for mixing with, or adulteration of $\frac{\frac{\text{cotton}}{\text{kapas}}}{\text{cotton seed}}$

(*a*) Reasons should be clearly stated as licences are only issued in cases of proved necessity In the case of applications for licences to import by road, river or sea, the form should be modified as may be necessary.

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produced in the protected area for re-export nor will I/we allow it to be re-exported under a misdescription;

(3) to return the said licence on expiration of the period for which it is granted to the licensing authority together with such details as he may require as to the cotton/kapas/cotton seed/waste imported under it and of its subsequent disposal.

Dated Signed

at

Instructions.

(*a*) The Cotton Transport Act does not impose any general restriction on cotton transport but only on transport into specified areas (notified by local Governments for protection) from stations outside those areas. Each notification includes a schedule of railway stations in the protected area to which it refers. Licences are only required by concerns situated within the limits of a protected area. Licences granted under the Cotton Transport Act are available for the importation of cotton from anywhere in India but only to the stations specified.

(*b*) Cotton, as defined in the Act, includes ginned cotton, unginned cotton (kapas), cotton seed and cotton waste, but separate licences are required for each Separate rules are also in force for the importation into protected areas of cotton by road, river or sea.

(*c*) Stationmasters or other railway servants responsible for the booking of goods or parcels at all stations in India are *empowered* by section 4 of the Act to refuse to book cotton to a notified station in a protected area unless a certified copy of the licence is handed in when the cotton is tendered for booking. Each consignment requires a separate certified copy which will accompany the railway invoice to destination.

(*d*) Stationmasters or other railway servants responsible for the receipt and delivery to the consignee of goods and parcels at notified stations are *required* by section 5 of the Act to refuse delivery of cotton from outside the protected area (which is defined by a list of stations) unless accompanied by a certified copy of the licence (or unless the original licence is produced).

(*e*) Paragraph 2 in the application form corresponds with condition (*b*) of the licence the object being to safeguard the protected area against the misuse (which might be quite unintentional) of cotton imported under licence.

(*f*) The protected areas notified in the Madras Presidency are those contained in Government Notification, Development Department, No.

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Form B.

Annual General Licence (for Manufacturers and Exporters).

(*See* Rule 3.)

No. of 192 .

Under the Cotton Transport Act, 1923 (Act III of 1923), the $\frac{\text{Mills}}{\text{Company}}$ carrying on business within the protected area known as notified in Government Notification, Development Department, No. are hereby granted a general licence under section 3 of the said Act for the period February 1st, 192 , to January 31st, 192 , to import $\frac{\text{bales}}{\text{maunds}}$ of * to station for the purpose of $\frac{\text{manufacture}}{\text{export}}$, subject to the following conditions:—

(*a*) A certified copy of this licence shall be tendered with the consignment at the despatching station.

(*b*) Cotton imported under this licence shall not be used except for the purpose stated above, save under the instructions of the licensing authority.

(Sd.)

Licensing Authority.

Dated 192 .

This certified copy should accompany the invoice to the railway audit office and should be despatched from there to the Secretary, Indian Central Cotton Committee, Bombay.

Form C.

Certified copy of General licences (for manufacturers and exporters) to be tendered at Despatching Stations.

(*See* Rule 3.)

Licence No. 192 . Copy No.

Under the Cotton Transport Act, 1923 (Act III of 1923), the $\frac{\text{Mills}}{\text{Company}}$ carrying on business within the protected area known as notified in Government notification, Development Department, No. , are hereby granted a general licence under section 3 of the said Act for the period February 1st, 192 , to January 31st, 192 , to import $\frac{\text{bales}}{\text{maunds}}$ of † to station for the purpose of $\frac{\text{manufacture}}{\text{export}}$, subject to the following conditions:—

(*a*) A certified copy of this licence shall be tendered with the consignment at the despatching station.

* Here enter ginned cotton, cotton waste, kapas or cotton seed for which licence is granted.
† Here enter article.

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(*b*) Cotton imported under this licence shall not be used except for the purposes stated above, save under the instructions of the licensing authority.

(Sd.)

Licensing Authority.

Name of Consignor
Number of bales
Description of cotton

Signature of Consignor.
Signature of Stationmaster.

Dated 192 .

FORM D.

Single Licence for Consignment by Rail.

(*See* Rule 4.)

Under the Cotton Transport Act, 1923 (Act III of 1923), $\frac{\text{Messrs.}}{\text{Mr.}}$ $\frac{\text{are}}{\text{is}}$ granted a licence to import to station situated in the protected area known as notified in Government notification, Development Department, No. $\frac{\text{bales}}{\text{maunds}}$ of * from (station) for the purpose of

This licence is only valid for one consignment and shall be surrendered to the undersigned, duly endorsed by the Stationmaster of the station of delivery or other railway servant responsible for the receipt and delivery of goods and parcels at the station on the arrival of the consignment :—

(*a*) A certified copy of this licence shall be tendered with the consignment at the despatching station.

(*b*) Cotton imported under this licence shall not be used except for the purposes stated above, save under the instructions of the licensing authority.

(Sd.)

Licensing Authority.

Dated 192 .

This certified copy should accompany the invoice to the railway audit office and should be despatched from there to the Secretary, Indian Central Cotton Committee, Bombay.

FORM E.

Certified copy of single licence in Form D.

(*See* Rule 4.)

LICENCE NO. OF

Under the Cotton Transport Act, 1923 (Act III of 1923), $\frac{\text{Messrs.}}{\text{Mr.}}$ $\frac{\text{are}}{\text{is}}$ granted a licence to import to (station) situated

* State whether ginned cotton, cotton waste, kapas or cotton seed.

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in the protected area known as notified in Government notification, Development Department, No. $\frac{\text{bales}}{\text{maunds}}$ of * from (station) for the purpose of

This licence is only valid for one consignment and shall be surrendered to the undersigned, duly endorsed by the Stationmaster of the station of delivery or other railway servant responsible for the receipt and delivery of goods and parcels at the station on the arrival of the consignment :—

(*a*) A certified copy of this licence shall be tendered with the consignment at the despatching station.

(*b*) Cotton imported under this licence shall not be used except for the purposes stated above, save under the instructions of the licensing authority.

(Sd.)

Licensing Authority.

Name of Consignor
Number of bales
Description of cotton

Signature of the Consignor.
Signature of the Station master.

Dated 192 .

FORM F.

Single licence for consignment by road, river or sea.

(*See* Rule 5.)

Under the Cotton Transport Act, 1923, $\frac{\text{Messrs.}}{\text{Mr.}}$ $\frac{\text{are}}{\text{is}}$ granted a licence to import to situated in the protected area known as notified in Government notification, Development Department, No. $\frac{\text{bales}}{\text{maunds}}$ of from for the purpose of

This licence is only valid for one consignment and shall be surrendered to the officer in charge of the at on the arrival of the consignment :—

Cotton imported under this licence shall not be used except for the purposes stated above, save under the instructions of the licensing authority.

(Sd.)

Licensing Authority.

* State whether ginned cotton, cotton waste, kapas or cotton seed.